

CLT Policy Playbook

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Executive Summary

The Green City Coalition (GCC) is uniquely positioned to serve the North St. Louis community, and the current policies and programs in St. Louis present many opportunities for GCC's newly developed Community Land Trust (CLT) to support the social and economic development of individual residents, local businesses, and the community as a whole. Unfortunately, many of these policies and programs are obscured by legalese and buried on the internet, making them difficult to access by community residents. This project's primary scope was to locate and research existing policies and programs in the City of St. Louis that can be leveraged by the CLT for economic investment and growth within partnering neighborhoods. These tools were identified as being within three focus areas:

1. **Funding** - public revenue sources that facilitate economic growth among residents and support strategic investment in neighborhoods
2. **Acquisition** - tools that can be accessed by residents and local public entities to increase community land ownership, improve property conditions, improve neighborhood businesses, as well as create community-owned green spaces
3. **Sustainability** - tools that mitigate displacement and help keep people in their homes through improving housing, education, and economic conditions of neighborhoods

The following document outlines several legal tools, policies, and programs, and describes the step-by-step process of how to navigate these resources. The purpose of this playbook is to supply Community Land Trust members and neighborhood residents with an easily accessible and digestible guide to these policies and programs. The goals of the CLT Policy Playbook are to:

1. Clearly identify and describe policies and programs that are critical to GCC's mission
2. Serve as a road map and resource for GCC and community residents to be aware of various economic development sources
3. Make these policies and programs more accessible and to provide a step-by-step guide of how to benefit from these tools
4. To support the community land trust in its goal of connecting residents to resources, services, and opportunities for ownership and development

In addition to reviewing the playbook, we propose the following recommendations to GCC's team and stakeholders: 1) build strategic partnerships, 2) establish optimal policy positioning, 3) maintain community-centered focus, and 4) determine strategic funding vision and values.

Revisions and modifications of this playbook are welcomed and encouraged so that GCC may effectively disseminate this information to CLT board members and community residents. Combined with identifying existing policy gaps in St. Louis and the examination of related case studies, this outline of underutilized policies and tools in St. Louis can support and guide GCC in their goal to empower local residents and the development of their neighborhoods.

Fund

● Cultural Bonds

Description: Low-interest bonds to be used to finance cultural facilities

Benefits: Access to low-interest capital for various purposes, including:

- land acquisition
- machinery and equipment
- building acquisition
- renovation
- construction
- architectural and engineering
- issuance cost (2%)
- land improvements

Eligibility: Organizations will be required to find an underwriter to purchase the bonds from the government

Steps for application:

- 1) Fill out application, stating project and underwriter ([Cultural Bond Application](#))
- 2) Submit letter of credit from commercial bank

● Enhanced Enterprise Zone (EEZ) Tax Abatement/Tax Credit

Description: The EEZ Tax Abatement is a broad program that covers different aspects of investment and job creation.

Benefits: Tax credit on income tax (Ch.143) as well as 50% real estate tax abatement for 10 years

Eligibility: Businesses within designated areas (see below) must create at least two (2) new jobs and invest at least \$100,000 in the enterprise and provide health insurance for employees, in addition to paying at least 50% of health insurance costs for full-time employees. Development must be within a pre-approved zone. The following areas are the boundaries of already approved zones in GCC neighborhoods (full map can be found [here](#)):

- College Hill
 - North boundary: College Ave
 - West boundary: Blair Ave
 - South boundary: Grant Blvd
 - East boundary: I-70 (border of College Hill)
- Walnut Park
 - North boundary: Wren Ave (from I-70 to Theodore Ave) and Beacon Ave (from I-70 to Florissant Ave)

- West boundary: I-70 (border of Walnut Park)
- South boundary: Emerson Ave (border of Walnut Park)
- East boundary: Theodore Ave (from Beacon Ave to Wren Ave) and Florissant Ave (from Emerson Ave to Beacon Ave)
- Baden
 - West boundary: N. Broadway (from Gimblin Rd to Baden Border)
 - South boundary: Gimblin Road (from N. Broadway to Hall St)
- Wells-Goodfellow
 - North boundary: Natural Bridge Ave (from City Border to Belt Ave)
 - West boundary: the City Border (from Dr. MLK Jr. Blvd to Natural Bridge Ave)
 - South boundary: Dr. MLK Jr. Blvd (from City Border to Union Blvd)
 - East boundary: Union Blvd (from Dr. MLK Jr. to Wabada Ave) and Clara Ave (from the City Border to Maffitt Ave) and Goodfellow Blvd (from Maffitt Ave to Greer Ave) and Belt Ave (from Greer Ave to Natural Bridge Ave)

Note: A business cannot earn tax credits under this program if earning Enterprise Zone, Business Facility, Quality Jobs, Rebuilding Communities, or Brownfield Jobs and Investment tax credits for the same project for the same tax period

Steps for application:

- 1) For obtaining the tax credit
 - a) Fill out the application for the EEZ tax credit ([EEZ Tax Credit Application](#))
- 2) To Designate an EEZ
 - a) Hold public hearings on the desire to make EEZ (RsMO 135.960)
 - b) An ordinance must be past that indicates the area as “blighted” according to 135.950 RsMO
 - c) Establish an EEZ Board with seven (7) members, one of whom must be an elected school district representative and another must be an elected taxing entity representative
 - d) Pass ordinance designating at least 50% tax abatement for 10 years
 - e) Pass ordinance designating an EEZ
 - f) Submit EEZ application to the state to make businesses eligible for tax credits ([EEZ Zone Application](#))

- **Low-Income Housing Tax Credit (LIHTC)**

Description: States are allocated funding from the federal government to disburse in the form of tax credits for developers that set aside affordable units for low-income residents

Benefits: Up to \$50,000 per grant application in tax credits

Eligibility: Units must be allocated in one of the following conditions:

1. 40 percent of the total number of units affordable to persons at 60 percent of the area median income; or
2. 20 percent of the total number of units affordable to persons at 50 percent of the area median income; or
3. 40 percent of the total number of units affordable to persons from a range of 20 percent to 80 percent of the area median income, so long as the average unit designation averages no higher than 60 percent of the area median income.

Steps for application:

- 1) Due to the qualification of previous experience with housing for the application, it is recommended that the Board partner with housing organizations in the city to apply for funding to manage the properties
 - a) Local organizations/developers with experience in GCC neighborhoods with multi-unit dwellings (a full map provided by [Rise](#)):
 - i) College Hill
 - (1) AMR Construction
 - (2) Thomas P Masterson
 - (3) Saxony Group
 - (4) Ronald Haug
 - ii) Walnut Park
 - (1) St. Louis Public Development Corps XIV
 - (2) Rise
 - (3) Lillian Park
 - iii) Baden
 - (1) Southern Missouri Development Inc
 - iv) Wells-Goodfellow
 - (1) Maffitt Garden Homes LP
 - (2) Housing Solutions Management Company
 - (3) Hamilton Heights Neighborhood Organization
 - (4) St. Louis Equity Fund
 - (5) St. Louis Public Development Corps XIV
 - b) Individual dwellings are eligible to apply for LIHTC funds as well and are listed on the map above

- **Neighborhood Assistance Program**

Description: The Neighborhood Assistance Program (NAP) helps to fund projects in low-income neighborhoods; specifically, job training, skill development, and employment for veterans

Benefits: 50% to 70% tax credit incentives to eligible businesses can fund programs

Eligibility: Applying organization must be a non-profit meeting one of the following criteria; Ch. 355, 501(c)3, a Community Development Corporation (CDC), or a Missouri business doing work outside of normal function.

Steps for application:

- 1) Submit application by one of the two deadlines
 - a) 2021 Deadlines not yet announced
 - i) Typically mid-April and mid-September
 - b) At times, Emergency Applications will become available (check [DED page](#) for details)
- 2) Solicit donations from local businesses
 - a) Donations can be in the form of:
 - i) Cash
 - ii) Materials, Supplies, Equipment
 - iii) Professional Services
 - iv) Labor
 - v) Real Property
 - vi) Publicly-Traded Stocks
 - vii) Bond

- **New Market Tax Credit**

Description: Provide funding for 20% of capital on projects benefiting low-income communities

Benefits:

Eligibility: The program requires applying through, or becoming, a Community Development Entity (CDE) that have the ability to access funds through a Community Development Financial Institution (CDFI)

Steps to Access

- 1) Identify or apply to be a Community Development Entity ([CDE application](#))
 - a) Existing CDEs in St. Louis (only includes those who have received NMTC funding in last 5 years, a full list can be found [here](#)):
 - i) MBS Urban Initiatives
 - ii) Midwest Industrial Redevelopment Fund
 - iii) U.S. Bank CDC
- 2) Apply to NMTC program ([NMTC Application](#))
 - a) Applications contain the following sections:

- i) Business Strategy
- ii) Community Outcomes
- iii) Management Capacity
- iv) Capitalization Strategy
- v) Information Regarding Previous Awards

NOTE: 2021 Allocation Dates and Deadlines have not been announced. Check back to the [application page](#) in mid-March for updates

- **Real Estate Tax Abatement**

Description: Real Estate Tax Abatement allows for property to freeze taxes at current rates for, typically, 5-10 years to lower long-term costs and decrease financial burden.

Benefits: Freezing of property taxes at pre-development level for specified amount of time. [This map](#) shows that Walnut Park and College Hill both have recommended abatements of up to 10 years at 95-100% and an additional 5-15 years at 50%.

Eligibility: Development areas must be approved as a blighted area, based on blighted study and plan by Saint Louis Development Council

Steps for application:

- 1) Note: To avoid the requirement of the government to accept proposals from other developers, projects must be less than \$1 million
- 2) Fill out application for tax abatement to start the process of a blight study ([Tax Abatement Application](#))
- 3) Get support of Alderperson for the ward to include letter of support
 - a) Note: The ordinance for abatement will go to the Board at a later step in the process, so it is valuable to gain support of other Alderpeople
- 4) After approval of blighted study, application goes to Housing, Urban Development, and Zoning (HUDZ) committee for review and public hearing prior to approval by board

Acquire

- Buy Property through the Land Reutilization Authority

Steps:

- 1) Go to LRA's [main website](#)
- 2) Find a property through the Search page linked on website
- 3) Inspect the property
 - a. Contact LRA's receptionist at (314) 657-3721 to check out a property's key
 - b. Pick up the key at 1520 Market St., Suite 2000, St. Louis, MO 63103
- 4) Complete the
 - a. [LRA Offer Contract Form](#),
 - b. [Business/Organization Source of Funding Form](#),
 - c. And the [Small](#) or [Large](#) Project Planning Sheet
- 5) Gather all other materials listed on the [Offer Checklist](#)
 - a. Payment should be made to the St. Louis Development Corp.
- 6) Once all of the required materials have been gathered, schedule an appointment to purchase the property by calling LRA's receptionist at (314) 657-3721.
- 7) Offer's will be considered at the next meeting of the Board of Commissioners.

LRA owned properties that overlap GCC areas:

Walnut East:

Total -598

Vacant - 452

Residential - 144

Commercial - 1

Mixed - 1

Walnut West:

Total - 170

Vacant - 115

Residential - 55

College Hill:

Total - 458

Vacant - 367

Residential - 89

Commercial - 2

Wells-Goodfellow:

Total - 1135

Vacant - 910

Residential - 219

Mixed - 4

Industrial - 1

Commercial - 1

Baden:

Total - 152

properties

Vacant - 104

Residential - 46

Mixed - 2

- [Dollar House Pilot Program](#)

Description: A one year pilot program to sell LRA-owned single family residential properties for \$1.00.

Building requirements:

- Must be a single family property
- Must be less than 1,800 square feet
- Must have been owned by the LRA before 2017

Program-specific requirements:

- Must stabilize the property in accordance with the City's codes
- Must renovate the property and obtain an occupancy permit within 18 months of purchase
- Must own and occupy the property for at least three years after purchase

Steps:

- 1) Inspect the property and prepare a plan and budget
- 2) Make an offer on the property by scheduling an appointment with the Real Estate Receptionist at (314) 657-3721. A \$25 fee is required at the appointment.
- 3) If your application is approved by the LRA Commission, then the buyer will receive instructions on how to close on the property. To close on the property, the buyer must provide \$250 for Title insurance, \$58 for recording fees, and the Quit Claim Deed

- [Garden Lease Program](#)

Description: Residents may lease LRA lots for up to five years for \$1.00 a year. This program encourages the creation of community gardens in the form of vegetable or flower gardens.

Steps:

- 1) Read the [lease](#)
- 2) Complete the [application](#)
- 3) Submit the application and fees to
Wyvonia Warfield, SLDC
Maintenance Coordinator
520 Market St., Suite 2000
St. Louis, MO 63103
(314) 657-3754

- **Mow to Own Program**

Description: This program is a sweat equity program where residents may take ownership of a vacant lot that is located next to an owned lot. Participants must maintain the lot for at least 24 months.

Steps:

- 1) Identify eligible lots
 - a) Lot may not exceed 40 feet frontage
 - b) Lot may not be contiguous to three or more LRA, LCRA, or PIEA owned properties
 - c) LRA must have been in possession of the property for at least three years
- 2) Applicant qualifications and requirements
 - a) Must have paid all real estate taxes in St. Louis City
 - b) Must own a residential or commercial property adjacent to the desired lot During the 24-month period the applicant must:
 - i) Keep the property clear
 - ii) Comply with City ordinances
 - iii) Pay real estate taxes on the lot
- 3) Complete the [Mow to Own Application](#) and return it and the \$125 fee to the LRA office on the required date (see website for submission dates)

- **Prop NS Program**

Description: This program is designed to stabilize and improve LRA property.

Steps to nominate a property:

- 1) Identify a property
 - a) Find a property that needs to be stabilized and document its address
 - b) Document the condition of the property in written form (no more than two paragraphs)
- 2) Confirm eligibility
 - a) Review the list of properties that have already been nominated for Prop NS to verify that the selected property has not already been nominated
 - b) [Confirm that LRA owns the property](#)
- 3) Prepare documentation for nomination
 - a) Property address
 - b) Brief description of property's condition
 - c) Personal (or organizational) contact information
 - d) (Optional) two letters of community support
- 4) [Submit a Prop NS Nomination Form](#)

- Redevelopment Plan

Description: A comprehensive plan to redevelop a neighborhood or district. These plans are endorsed by the St. Louis City Board of Aldermen.

- [Example](#) of a St. Louis City redevelopment plan
- [Example](#) of Board Ordinance approving a redevelopment plan

- St. Louis Brownfields Program

Description: The Brownfield Program seeks to redevelop contaminated commercial/industrial sites.

Benefits: MO Department of Economic Development (DED) may issue tax credits for up to 100% of the cost to remediate the project property. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by the Department of Natural Resources (DNR).

Eligibility:

- If the property is not owned by a public entity, the city or county must endorse the project.
- The project must be accepted into the “Voluntary Cleanup Program” of the MO DNR.
- The project must be projected by DED to result in the creation of at least ten new jobs or the retention of 25 jobs by a private commercial operation.

Steps to apply:

- If land is believed to be contaminated, have assessed by Department of Natural Resources ([Assessment Application](#))
 - A map with existing sites can be found [here](#) (descriptions and legend can be found [here](#))
 - Existing sites within GCC land:
 - Walnut Park
 - 5276 Wren St. (Preliminary review completed, no plans for further action)
 - College Hill
 - 861 E. Prairie Ave. (Preliminary review completed, no plans for further action)
 - 4518 Blair St. (Active investigation/remediation)
 - Baden
 - 8010 N. Church Road (Preliminary review completed, no plans for further action)
 - 8001 Broadway (Preliminary review completed, no plans for further action)
 - 717 Baden Ave (Brownfield Assessment completed, ready for use)

- Wells-Goodfellow
 - 3317-3327 N. Union Blvd (Preliminary review completed, no plans for further action)
 - 5395 St. Louis Avenue (Preliminary review completed, no plans for further action)
 - 3333 Clara Ave (Brownfield Assessment completed, ready for use)
 - 2849 Goodfellow Blvd. (Preliminary review completed, no plans for further action)
 - 3615 Chevrolet Avenue (incomplete or not started investigation)
 - 5547 Dr. Martin Luther King Jr. Drive (Brownfield Assessment completed)
 - Owned by Arlington Grove, Limited Partnership
 - Has been zoned for two-family residential (Clara Ave) and commercial (Dr. MLK Jr. Drive)
- Once assessed and approved, apply for the Brownfield Voluntary Cleanup Program ([Program Application](#))
- Submit application for remediation plan to DED for approval of economic benefits at minimal cost to state

Sustain

● [Family Development Account \(FDA\)](#)

Description: Provides tax credits to businesses donating to organizations that administer funds to non-profits or community-based organizations (CBO) to start a matched savings program to pay for:

- Higher education
- Job Training
- Primary residence or repairs on primary residence
- Start-up capital for small businesses

Benefits: Incentivization for large donations to develop matched savings programs. Maximum credits for contributions are 50% of total contribution, not to exceed \$25,000 with \$300,000 available per year.

Eligibility: Receiving organization must be a CBO (Ch. 352 RsMO) or non-profit organization (Ch. 355 RsMO)

Steps for application:

- 1) Fill out tax credit application ([FDA Application](#))
- 2) Upon approval, obtain donations from participating organizations
 - a) MO DED will distribute tax credit to donating organizations

● [Healthy Home Repair Program](#)

Description: Home assistance repair for low to moderate income households.

Benefits: Provide you with assistance toward your home repairs. If you meet the requirements in St. Louis, you could get help making emergency repairs, urgent repairs and even some general repairs.

Eligibility: The Healthy Home Repair Program is for homeowners who live in the City of St. Louis; have owned and lived in their home for at least 2 years; have clear title; are current on their real estate taxes; are current on their mortgage payments and have homeowner's insurance. Because federal dollars are used to fund the program, eligibility is limited to low and moderate income households (less than 80% of Area Median Income).

Steps for application: Applicants interested in applying for a repair loan or grant can contact the local [Rural Development Office](#) and provide the following documentation:

- Form RD 410-4, [Uniform Residential Loan Application](#)
- Form RD 3550-1, [Request for Information](#)
- Form RD 3550-4, [Employment and Asset Certification](#)
- All application items listed in [Attachment 12-E checklist](#)

- Neighborhood Preservation Act

Description: To provide an incentive for the rehabilitation or construction of owner-occupied homes in certain areas of the state.

Benefits: The Department of Economic Development (DED) issues state tax credits to a homeowner who rehabilitates a home or to a homeowner or developer that constructs a new home for owner-occupancy in certain areas of the state.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148
 - Bank Tax
 - Insurance Premium Tax
 - Other Financial Institution Tax
- This credit's special attributes:
 - Carry back 3 years
 - Carry forward 5 years
 - Sellable or transferable

Eligibility:

- **ELIGIBLE AREAS:** “Qualifying Areas” include “distressed communities,” as defined in 135.530, RSMo, and areas with a median household income of less than 70% of the median household income for the applicable MSA or non-MSA. “Eligible Areas” with a median household income of 70% to 89% of the median household income for the applicable MSA or non-MSA.
- **ELIGIBLE APPLICANTS:** Any taxpayer who incurs eligible costs for a new residence or rehabilitates a residence for owner occupancy that is located in a designated area.

Steps for application:

Part 1A - PRELIMINARY APPROVAL

1) Applicant Information

- a) *Developers Section:* indicate the type of category under partnership or corporation the applicant falls under. You are a developer if you will sell the residence and not reside in it after construction is complete. For entities with flow through tax treatment (e.g. partnerships, S-corporations, etc.), include on a separate sheet the name, address, and social security number or taxpayer ID number for all persons or entities with an ownership interest. Provide the percentage ownership interest for each taxpayer as of the time of the application.
- b) *Homeowners Section:* Indicate if you are or will become the property owner and will maintain residence in this location after the construction is complete. Include the mailing address,

telephone number, fax number, social security number, proof of ownership, and e-mail address.

- 2) Project Contact: specify the contact person for the project.
- 3) Property Information: you must provide the street address, city, county, and zip code of the property.
- 4) Type of Project:
 - a) New Construction
 - b) Rehabilitation
- 5) Preliminary Tax Credit Request: provide estimated costs of rehabilitation/construction and the estimated total cost of the project.
- 6) Project Information: indicate if this project will receive other state/federal tax incentives or grants.
- 7) Applicant Signature

PART 1B – DETAILED DESCRIPTION OF WORK

1. Describe existing feature and its condition: provide a description (visual, structural, or other) of the project work and the current physical condition of the architectural features requiring work or the newly constructed features.
2. Describe work and proposed impact on existing feature: explain in detail the rehabilitation or new construction to be undertaken.
3. Photographs (drawings or sketches are required when photographs are not available)
4. Estimated rehabilitation costs: you must give an approximate cost of the proposed rehabilitation of the feature or newly constructed feature.

- **[Small Business Incubator Tax Credit](#)**

Description: Support and leverage funds provided to small business incubators through tax credits that can be used to grow small businesses

Benefits: Contributors to certified incubators can receive a 50% tax credit.

Eligibility: Eligibility can be broken into two categories:

- Contributors
 - Nonprofits can contribute to existing certified incubators (see below) to obtain tax credits and create specific incubator programs
- Incubators
 - Organizations can apply to become certified incubators.
Considerations for applications include:
 - Geography of incubators (currently 3 active in St. Louis)
 - Economic impact & impact on existing economic development plans

Steps for application:

- 1) To Contribute:
 - a) Determine certified incubator ([Map of Certified Incubators](#))
 - b) Fill out form to verify contribution ([Verification of Contribution](#))
- 2) To Certify as Incubator
 - a) Fill out application ([Incubator Certification application](#))

Recommendations

While we acknowledge that the list of policies is not exhaustive and will be adapted across time as various factors may cause policies and programs to change (e.g. economic health of the city or state, changes in evidence-based tool, etc.), our belief is that this Policy Playbook can provide a foundation for strategic planning for the years laid out within the CLT business plan. However, to ensure the maximum impact when utilizing these policies, four pillars will help to maintain the CLT vision while supporting success moving forward:

- Build strategic partnerships
- Establish optimal policy positioning
- Maintain community-centered focus
- Determine strategic funding vision and values

Building strategic partnerships

The use of strategic partnerships in implementing these programs has the opportunity to help take advantage of what these programs have to offer, but can also support the long-term sustainability of the Community Land Trust. These recommended partnerships include non-profit organizations, for-profit organizations, Community Development Financial Institutions (CDFIs), and more. For each strategic partnership listed, a description or related program is also included to ensure that a policy or program can be matched with organizations. A number of these organizations were interviewed for the creation of the business plan by the Rome Group, and it is recommended that these organizations remain a priority due to an existing awareness of the project.

Org. Name	Contact Name	Contact Info	Related Policy/Program
U.S. BankCorp Community Development Corporation (USBCDC)		usbcdc@usbank.com	New Market Tax Credit
Vacancy Collaborative & Anti-Displacement Working Group		stldisplacementwg@gmail.com	“Sustain” Section
WEPOWER	Charli Cooksey	charli@wepowerstl.org	Small Business Incubator Tax Credit
Rise Community Development	Rick Bonasch & Brian Hurd	rick@risestl.org brian@risestl.org	Low Income Housing Tax Credit
Midwest Bank Centre	Alex Fennoy	afennoy@midwestbankcentre.com	New Market Tax Credit
Legal Services of Eastern Missouri (Neighborhood Vacancy Initiative)	Peter Hoffman	nvi@lsem.org	

The Center for Emerging Technologies (CET)	Rikki Henry	rhenny@cortexstl.com	Small Business Incubator Tax Credit
I.T. Entrepreneur Network (ITEN)	Connie Gallagher	cgallagher@itenstl.org	Small Business Incubator Tax Credit
Federal Reserve Bank	Neelu Panth	neelu.panth@stls.frb.org	

Establish optimal policy positioning

While strategic partnerships play their part in policy implementation, it is also important for the CLT to utilize these partnerships and other available resources to ensure that the organization can maximize their opportunity to take advantage of the listed policies. This includes outreach to specific Alderpeople to develop support for projects, present or future, as well as the opportunity to gain both public support as well as financial support. Due to the positioning of the four neighborhoods in which the CLT is to be developed, we recommend GCC and the CLT Board develop relationships with the following Alderpeople:

- Alderwoman Lisa Middlebrook (Ward 2)
- Alderman Brandon Bosley (Ward 3)
- Alderman John Collins-Muhammed (Ward 21)
- Alderman Jeffrey Boyd (Ward 22)
- Alderwoman Pam Boyd (Ward 27)

The value of these relationships is particularly important in the implementation of the following programs:

- [Redevelopment Plan](#)
- [Real Estate Tax Abatement](#)
- [Enterprise Empowerment Zone \(EEZ\)](#)

While positive relationships with Alderpeople will be valuable in the usage of many of these programs, it will also be valuable to understand the dynamics operating within the membership of the aldermanic committees, particularly the Housing, Urban Development, and Zoning Committee (HUDZ, Chair Joe Roddey).

When looking to utilize tax credit programs, particularly the New Market Tax Credit, it will be critical to develop strong relationships with CDFIs, CDEs, and CDCs. These organizations have the access and opportunity to distribute these coveted funds and have connections to other funders that invest within their models of wealth distribution to low-income communities.

While we have seen elected officials, businesses, and organizations with power within these systems, it will always be important to have community support.

Maintain community-centered focus

While this recommendation is not new or revolutionary to the work being done by GCC, it is included as both a reminder and a critical piece in the implementation of these policies. Many of the eligibility requirements and mechanisms for these policies include the partnership or solicitation of funds from organizations with capital to spend and desire to generate tax credits. While in an ideal world these organizations would also be located within the communities where the CLT is being implemented, unfortunately that is not the case. Data from the American Community Survey 2019 (1-Year) Estimates shows that the median income in North St. Louis is significantly less than Midtown, which translates to less investment, less businesses, and a desire to leave the neighborhood rather than an attraction to move in.

As the CLT seeks to establish connections with stakeholders and partners mentioned above, it will be critical to ensure that the community voice is not diluted within the process as the CLT seeks out funding to continue to function. It is recommended that GCC and the CLT maintain their existing methodology of hosting community listening sessions and allowing community-members to have not just input, but investment and a say in the CLT actions and programs. The \$1 membership fee laid out in the business plan is a valuable step towards that inclusion. Additionally, the development of clear expectations, set out by legal standards if necessary, can help maintain positive partnerships with stakeholders while centering both the desires and the voice of the community.

Determine strategic funding vision and values

A number of the policy options provided within this playbook involve a range of financing and redevelopment tools that require GCC and the CLT to make strategic decisions of both its own structure as well as the structure of their funding. The first option for the CLT is to maintain its current vision as becoming a 501(c)(3) organization within the state of Missouri. This decision is distinct from the CLT becoming a for-profit entity, similar to commercial development companies.

As a non-profit organization, the CLT will maintain a tax exempt status and maintain eligibility for grant funding and tax deductible donations. Additionally, the CLT will have the opportunity to apply directly for several programs, such as the Neighborhood Assistance Program and the Family Development Accounts, listed within the playbook.

Strategically, the decision to establish as a for-profit entity changes the methodology in which the CLT operates, from its governance to its revenue. Discussions surrounding board management and structure are outside of the scope of this particular report, however, structuring as a for-profit will require GCC to partner closely with various non-profit organizations throughout the city to utilize these programs. For example, the CLT could obtain a tax credit on donations to Prosperity Connections to establish savings account programming within the CLT. Instead of the CLT being the recipient of many of these tax

credits, they will be the organization that is providing funding and taking advantage of the tax credits.

After the CLT determines its own structure, the Board will need to discuss the mix of funding available and the partnerships and stakeholders they hope to maintain within the organization. A concern when incorporating numerous stakeholders is the dilution of community control and community input. If functioning as a non-profit seeking tax credit-eligible contribution from for-profit entities, the CLT would benefit from the development of Memorandums of Understanding (MOUs) that ensure community-centered control and focus with the usage of the funds. This is to ensure that funding is available while clear expectations can be established by both sides without the entities supplying the funding requesting program changes as stipulations for funding.

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